

## WAIVER OF NOTICE

In accordance with section 7.2 of the Bylaws of the Utah Association of Counties Insurance Mutual; we the undersigned do hereby waive the requirements of ten days notice for the special meeting of the Board of Directors of the Utah Association of Counties Insurance Mutual to be held on March 10, 1997 at 9:30 am, at the offices of the Utah Association of Counties Insurance Mutual and also by telephonic participation.


Signed:


 date 3/13/97  
GARY R. HERBERT, President

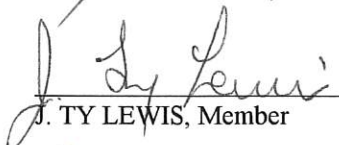
 date 3/13/97  
GERALD E. HESS, Vice President

 date 3-13-97  
MONTE R. MUNNS, Secretary

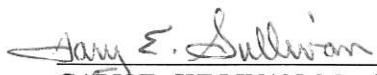
 date 3-13-97  
SID P. GROLL, Comptroller

 date 3-13-97  
B. CURTIS DASTRUP, Member

 date 3-13-97  
TONY J. DEARDEN, Member

 date 3-13-97  
J. TY LEWIS, Member

 date 3-13-97  
SARAH ANN SKANCHY, Member

 date 3/13/97  
GARY E. SULLIVAN, Member



# UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL

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4021 South 700 East, Suite 180  
Murray, Utah 84107  
Phone (801) 265-1331  
FAX (801) 265-9485

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## FAX TRANSMISSION COVER SHEET

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To: Gary Herbert  
Fax #: 370-8146  
From: Brett Rich  
Date: March 10, 1997  
Re: Telephonic Board Meeting

Number of Pages Including Cover Sheet: 1

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Gary, the following is a list of items I believe need to be addressed at the meeting this morning:

- 1- Coverage Agreement for the Members
- 2- Adding Claims Administration Report to the Membership Meeting Agenda
- 3- Case Authority
- 4- Revisions to Interlocal Agreement & Bylaws
- 5- Reallocation of Risk Management Program 2% Credit





UTAH ASSOCIATION  
OF COUNTIES  
INSURANCE MUTUAL

## UACIM BOARD OF TRUSTEES TELEPHONIC CONFERENCE

M I N U T E S

March 10, 1997, 9:30 am

### Board Members Participating:

Gary Herbert, *President*, Utah County Commissioner  
Gerald Hess, *Vice President*, Davis County Deputy Attorney  
Monte Munns, *Secretary*, Box Elder County Assessor-Treasurer  
Sid Groll, *Comptroller*, Cache County Sheriff  
Curtis Dastrup, Duchesne County Commissioner  
Ty Lewis, San Juan County Commissioner  
Sarah Ann Skanchy, Cache County Council Member  
Gary Sullivan, Beaver County Commissioner

### Board Members Unavailable:

Tony Dearden, Millard County Commissioner

### Others Participating:

Kent Sundberg, Board Advisor, Utah County Deputy Attorney  
Brent Gardner, UAC Executive Director  
Brett Rich, Director, UACIM  
Sonya White, UACIM Administrative Assistant

### CALL TO ORDER

Gary Herbert called the meeting to order.

### COVERAGE AGREEMENT FOR THE MEMBERS

A draft copy of the UACIM Coverage Agreement was previously faxed to the Board Members for review. Brett Rich explained that in years past, UACIM has used a one page Certificate of Participation which was sent to each member county insurance coordinator at the beginning of each policy year. The Insurance Department has recommended that our members receive a more complete and detailed document. Therefore, Brett has been working with John Chino and the Insurance Department to draft this Coverage Agreement. Where practical, the language was taken from the bylaws and policy statements of the Board. Brett reviewed each section with the Board. In Section VI - DEFINITIONS (E) "Volunteer", the Board requested that Brett review the statutory definition of "volunteer". If the statute includes reimbursement for expenses, then the language in this subsection will need to be corrected. After the Agreement was completely reviewed by the Board, Sarah Ann Skanchy made a motion to approve the Coverage Agreement subject to changes, if any, to Section VI (E). Monte Munns seconded the motion and the motion passed unanimously. The finalized Coverage Agreement will be filed with the State Insurance Department then sent to each member county.

### CLAIMS ADMINISTRATION

Brett Rich explained that a report from the UACIM Claims Administration had been inadvertently left off of the upcoming Membership Meeting agenda. Ty Lewis made a motion to add this item to the agenda. The motion was seconded and passed unanimously.

### CASE AUTHORITY

The Board agreed to set the date and time for closed meeting on Thursday, March 13, 1997.



#### REVISIONS TO INTERLOCAL AGREEMENT & BYLAWS

Brett Rich reminded the Board that during the Annual Membership Meeting in November 1996, the members attempted to amend the Bylaws and Interlocal Cooperation Agreement for the UACIM. Brett questions whether or not the members can amend a "contract"—Interlocal Cooperation Agreement. In reviewing this document, Brett and Kent Sundberg feel that this combined document is conflicting and recommend separating the document into one Interlocal Cooperation Agreement and one set of Bylaws. With the help and review of Kent and Bill Peters, Brett prepared a draft Interlocal Cooperation Agreement for the Board to review. Brett explained that an Interlocal Cooperation Agreement must meet certain requirements by law and that beyond that the draft Agreement is quite broad allowing revisions to be made. One change the Board may want to consider to the draft is the possibility of including coverage for political subdivision of the state other than counties. The Agreement reads, "coverage of counties" and "only counties can be members". Kent recommended that the scope of membership should not be expanded. After reviewing the draft Agreement, the Board directed Brett to send the draft Agreement to each member county (30 days prior to the Membership Meeting) for review by the applicable officials for discussion and approval at the April meeting.

Brett explained that the revisions to Bylaws will be mainly a reorganization of the current provisions with some substantive changes. The Board directed Brett to send the draft Bylaws to each member county (30 days prior to the Membership Meeting) for review by the applicable officials for discussion and approval at the April meeting. The Board will review these documents at the Board meeting this coming Thursday, March 13.

#### REALLOCATION OF RISK MANAGEMENT PROGRAM 2% CREDIT

Brett Rich explained that due to the change of receipt of the annual renewal information to a prerequisite of the Risk Management Program, the Board must reallocate the 2% credit which was applied in this area. The Board will reallocate this credit at the Board meeting on Thursday, March 13.





4021 South 700 East, Suite 180  
Salt Lake City, Utah 84107  
801.265.1331  
801.265.9485 fax

**UAC Insurance Mutual**

# Fax

**To:** Gary Herbert, Utah County Commissioner

Gerald Hess, Davis County Deputy Attorney

Robert Gardner, Iron County Commissioner

Sid Groll, Cache County Sheriff

Gary Sullivan, Beaver County Commissioner

Sarah Ann Skanchy, Cache County Council Member

Ty Lewis, San Juan County Commissioner

Ken Brown, Rich County Commissioner

Curtis Dastrup, Duchesne County Commissioner

Kent Sundberg, Utah County Deputy Attorney

**From:** Brett Rich

**Pages:** 6

**Date:** March 10, 1997

**Re:** UACIM Board of Trustees Meeting

☐ **Urgent** ☒ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Per Your Request**

● **Comments:**

Please find the following Amended Interlocal Cooperation Agreement for review at the 9:30 telephonic conference scheduled for today.



4021 South 700 East, Suite 180  
Salt Lake City, Utah 84107  
801.265.1331  
801.265.9485 fax

UAC Insurance Mutual

# Fax

To: Gary Herbert, Utah County Commissioner

Gerald Hess, Davis County Deputy Attorney

Monte Munns, Box Elder County Assessor-Treasurer

Sid Groll, Cache County Sheriff

Gary Sullivan, Beaver County Commissioner

Sarah Ann Skanchy, Cache County Council Member

Ty Lewis, San Juan County Commissioner

Tony Dearden, Millard County Commissioner

Curtis Dastrup, Duchesne County Commissioner

Kent Sundberg, Utah County Deputy Attorney

From: Brett Rich

Pages: 11

Date: March 7, 1997

Re: March 10, 1997 Telephonic Conference

☐ Urgent

☒ For Review

☐ Please Comment

☐ Please Reply

☐ Per Your Request

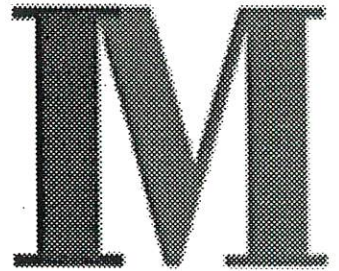
● Comments:

Please plan to participate in a telephonic conference scheduled for Monday, March 10, 1997, at 9:30 am. From your phone, dial 800-944-6239 and ask for Brett Rich's party. Following is information you will need for the conference. Thank you.



Utah Association of Counties  
INSURANCE MUTUAL

4021 South 700 East, Suite 180  
Salt Lake City, UT 84107



POLICY NUMBER:

D E C L A R A T I O N S

NAMED INSURED:

MAILING ADDRESS:

DRAFT

COVERAGES:

<u>Type</u>	<u>Premium</u>
Property	included
Auto Physical Damage	included
Crime	included
Inland Marine	included
General Liability	included
Law Enforcement Liability	included
Auto Liability	included
Public Officials Liability	included
TOTAL PREMIUM: \$	

POLICY PERIOD:



# UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL COVERAGE AGREEMENT

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# UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL

## COVERAGE AGREEMENT

### JOINT AGREEMENT:

This Agreement has been drafted by Utah Association of Counties Insurance Mutual (UACIM) on behalf of its "Members" and each "Member" has accepted the form of this Agreement, and ratified its contents, including the language contained herein. In Consideration of the payment of the contribution and compliance with the provisions of the Agreement, UACIM agrees with the "Member" as follows:

### PURPOSE:

The purpose of this Coverage Agreement is to describe coverages provided to its "Members" through the UACIM Program. Some of UACIM's coverages, deductibles, and limitations are unique to UACIM and may not be available elsewhere through private or commercial insurers.

### INTENT:

The UACIM Program is a Protected Self-Insured Program mutually entered into by its "Members" to self-insure the coverages provided. Other insurance policies may be purchased by UACIM on behalf of its "Members". These other coverages and limits are identified in the Excess Commercial Insurance Policy Schedule. A copy of the purchased Commercial Excess Insurance Policies are included as Appendix "B".

**NOTE:** *This Coverage Agreement includes Appendices "A" and "B" which are an integral part of this Agreement.*



## **SECTION I - WHO IS COVERED**

The list of UACIM participating members is included as Appendix "A".

## **SECTION II - WHAT IS COVERED**

A. UACIM provides first-dollar coverage to the "Member" as primary coverage, with a \$150,000 limit per "Occurrence" with respect to a "Casualty Loss" and a \$250,000 limit per "Occurrence," with respect to a "Property Loss", unless:

1. Specifically noted within the Exclusion Section;
2. Liability arises out of or from:
  - a. Any claim or suit for any salary, wages or other incidents of compensation or benefits due because of alleged "Wrongful Employment Act" of any employee or official of the "Member";
  - b. Civil fines, penalties or punitive damages, whether statutory or common law, including any multiples thereof; or
3. There is any other insurance which has been purchased by the "Member" which could in any way afford coverage for the "Occurrence," in which case:
  - (a) The coverage afforded by this Agreement shall be excess, and under no circumstances shall the coverage afforded hereunder be considered pro-rata, concurrent, or contributing.
  - (b) The coverage afforded by this Agreement shall not apply, unless and until all such other insurance has been exhausted. Exhausted, as used herein, means that the "Member" has received all benefits to which it is entitled under all such other insurance or, in the alternative, it has been prevented from receiving those benefits as a consequence of the written denial of its request for coverage by the insurer(s) providing such other insurance.

Subsection 3 does not apply with respect to coverage purchased specifically by UACIM on behalf of its "Members" to be in excess of this Agreement.

- B. The insurance afforded hereunder covers the amount referred to as the "Self-Insured Retention" (SIR).
- C. UACIM agrees to pay, on behalf of the "Member," all losses covered by the policies identified in Appendix "B" and attributable to the "Self-Insured Retention".



### **SECTION III- EXCLUSIONS**

It is the intention of the parties that this agreement provides, to the "Member", those coverages defined in the policies listed, attached and included as part of this agreement in Appendix "B". Therefore, all of the exclusions to coverage set out in those policies, also apply to this agreement between UACIM and the "Members".

### **SECTION IV - OTHER CONDITIONS**

#### **A. Defense and Settlement**

1. UACIM has the right and duty to defend any claim or suit against the "Member" on account of claims or suits covered by this Agreement, even if the allegations of the claim or suit are groundless, false, or fraudulent, including the right to appoint and designate defense counsel to represent the "Member".
2. The "Member" shall fully cooperate with UACIM in the handling of any claim or suit. UACIM may make such investigation and settlement of any claim or suit as it deems expedient. No settlement or compromise of any claim or suit shall take place without the prior approval and consent of UACIM.
3. UACIM shall not be obligated to pay any claim or judgment, or to defend any claim or suit, after the applicable limit of UACIM's liability has been exhausted by payment of judgment or settlements.

#### **B. Limit of Liability**

1. Regardless of the number of, (a) persons or entities covered, or (b) persons or organizations who sustain injury or damage, or (c) claims made or suits brought, UACIM's liability in this Agreement is limited as follows:

UACIM's maximum liability shall be the "Self-Insured Retention", as the result of any one "Occurrence" for each "Member", or any combination of "Members", sustaining loss resulting from a single occurrence, subject to provision C below. For the purpose of determining the limit of UACIM's liability, all damages arising out of continuous and repeated exposure to substantially the same general conditions shall be considered as arising out of one "Occurrence".

All limits referred to in this Agreement are "Ultimate Net Loss".

2. Nothing in this provision shall serve to increase UACIM's limit of liability.



3. In no event shall UACIM be responsible to provide coverage above the \$250,000 per "Occurrence" limit it provides for a "Casualty Loss", or the \$150,000 per "Occurrence" limit it provides for a "Property Loss". All coverage for limits above the "SIR" provided in this Agreement shall be determined by the terms and conditions of the commercial insurance purchased by UACIM for its "Members" which is intended to apply in excess of the limits provided by this Agreement.

#### C. Contribution Payment

All UACIM premium and surplus contribution payments are due on or before the first day of January of the applicable policy year. Payments, or portions thereof, postmarked after January 31st shall be charged interest calculated at 2% above the Federal Prime Rate.

#### D. Termination Of Membership

1. The "Member" which terminates its membership in the Utah Association of Counties shall not be a member of UACIM effective as of the end of the policy period during which the termination of the membership occurred.
2. The "Member" which fails to pay a premium or any other payment due UACIM shall have its membership in UACIM terminated on the sixtieth day following the due date, unless time for payment is extended by the Board of Trustees (Board) and payment is made within any extended period. A notice of failure to pay a premium or other amount due UACIM shall be mailed to the "Member" at least thirty (30) days prior to the date of termination. A termination of membership under this paragraph shall not be subject to the other provisions of termination described below.
3. Any membership in UACIM may be terminated by the Board or the "Members" for failure of the "Member" to carry-out any other obligation of the "Member", subject to the following:
  - a. The member shall receive notice from the Board of the alleged failure and not less than thirty (30) days in which to cure the alleged failure, along with notice that termination of membership could result if the failure is not so cured.
  - b. The "Member" may request a hearing before and decision by the "Members" on the termination. The request shall be made in writing to the Board at least five days before the end of the period given by the Board to cure the alleged failure. At such hearing, the Board shall present the case for termination of membership and the affected "Member" may present its case. The affected "Member" shall not be counted in determining the number of votes required, nor shall the representative of such "Member" be entitled to vote on the termination.





c. If no request is received pursuant to subparagraph b. of this Section IV D. 3. and if the failure is not cured within the time required by the Board's notice or any extension of such time as the Board may grant, the Board may terminate the membership. The "Member" may request a hearing before the Board on the proposed termination in lieu of a hearing before the "Members". The request shall be made in writing and received by the Board at least five days before the end of the period given by the Board to cure the alleged failure, and shall be granted if so made.

d. The Board shall provide the "Member" at least ten days prior written notice of the time and place of any requested hearing, and the proposed termination of membership may not take effect until such time after the conclusion of any hearing as the Board or "Members", as applicable, may set.

4. Termination of membership shall be in addition to any other remedy which may exist.
5. The "Member" shall lose all voting rights upon termination of its membership. Any claim of title or interest to any asset of UACIM, and any continuing obligation of UACIM to the "Member" or of the "Member" to UACIM, after the termination of membership, shall be as determined by the Board.

#### E. Statutory Provisions

Terms of this Agreement which are in conflict with the statutes of the State of Utah are amended to conform to such statutes.

#### F. Notice of Accident or "Occurrence," Claim or Suit:

1. If an "Occurrence" likely to be covered by this Agreement occurs, reasonably available information which identifies the time, place, and circumstances and the names and addresses of the "Member" and any available witnesses shall be given by written notice to UACIM within thirty (30) days, or within a reasonable time under the circumstances..
2. The "Member" shall, within a reasonable time, forward to UACIM all demands, notices, summons or other process received which represents a claim hereunder.
3. The "Member" shall cooperate with UACIM and, if requested, assist in making settlements, in the conduct of suits and trials, and in enforcing any rights against any person or organization who may be liable. The "Member" shall not, except at its own cost, voluntarily make any payment, assume any obligation, or incur any expense, admit any liability, settle any claim, or assume any obligation on a claim or suit.



#### G. Joint Operations Of "Members"

If two or more "Members" jointly participate in any program, liability for any one "Occurrence" shall apply to each "Member" in the proportion determined by UACIM. The Board shall determine each "Member's" percentage of responsibility based on its understanding of the "Occurrence" and the degree of responsibility the "Member" or its representatives had in the "Occurrence".

#### H. Subrogation

UACIM shall be entitled to all rights of recovery against any person or organization as a result of any loss payment. The "Member" shall do nothing after loss to prejudice such rights.

In the event of any payment under this coverage, UACIM shall be subrogated to all the covered parties' rights of recovery therefor, against any person or organization and the applicable covered party shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The covered party shall do nothing to prejudice such rights.

#### I. Claims Administration

UACIM designates McLarens Toplis (McLarens) as its Claims Administrator. All notices of claims, loss, suits, actions, etc. must be filed with McLarens. Timely reporting is essential for the prompt and proper investigation of a claim. Any serious injury or liability situation should be reported immediately to McLarens at 4021 South 700 East, Suite 180, Salt Lake City, Utah 84107.

#### J. Maintenance Deductibles

Member is responsible for the payment of a maintenance deductible to UACIM, for each claim in the categories described below. The amount of the deductible for each claim is also shown.

- |                         |         |
|-------------------------|---------|
| 1. First Party Property | \$ 500  |
| 2. Crime                | \$ 500  |
| 3. Auto Physical Damage | \$1,000 |

### SECTION V - TERRITORY

Coverage Territory is the United States of America (including its territories and possessions), Puerto Rico and Canada.



## SECTION VI - DEFINITIONS

*The definitions of the policies included in Appendix "B" shall apply to all other terms in this agreement. In addition, the following definitions apply to this agreement.*

- A. "Casualty Loss" - means a claim for money damages covered by either the General Liability, Law Enforcement Liability, Auto Liability, Employee Benefits Liability or Public Officials Liability section of the excess policies included in Appendix "B".
- B. "Member" - means:
  - 1. A Participating Member;
  - 2. Counties in the State of Utah to whom coverage has been extended by the UACIM Board of Trustees;
  - 3. Additional covered parties of the "Member" to include:
    - a. Persons who are past or present elected or appointed officials, employees or "Volunteers" of the "Member", while acting for or on behalf of the "Member," including while acting on outside Boards at the direction of the "Member";
    - b. Employees;
    - c. Governing Boards and Officers; and
    - d. "Volunteers" authorized by the "Member" while performing services that benefit the "Member".
- C. "Property Loss" - means: a loss covered by either the Property, Inland Marine, or Crime sections of the excess policies in Appendix "B".
- D. "Self-Insured Retention" - means: the amount of dollars retained by UACIM for each occurrence or loss from a cause of loss covered by an excess policy included in Appendix "B".
- E. "Volunteer" - Means an individual under authorization from the "Member", who renders service to the "Member" and its programs without receiving remuneration of any kind.
- F. "Wrongful Employment Act" - means: actual, alleged, or constructive wrongful dismissal, discipline, demotion, failure to promote or advance or grant tenure to any employee or former employee.



## **APPENDIX "A"**

It is understood and agreed that the following counties are "Members" of UACIM:

- |     |                  |     |                   |
|-----|------------------|-----|-------------------|
| 1.  | BEAVER COUNTY    | 12. | MILLARD COUNTY    |
| 2.  | BOX ELDER COUNTY | 13. | PIUTE COUNTY      |
| 3.  | CACHE COUNTY     | 14. | RICH COUNTY       |
| 4.  | DAVIS COUNTY     | 15. | SAN JUAN COUNTY   |
| 5.  | DUCHESNE COUNTY  | 16. | SANPETE COUNTY    |
| 6.  | EMERY COUNTY     | 17. | SEVIER COUNTY     |
| 7.  | GARFIELD COUNTY  | 18. | UINTAH COUNTY     |
| 8.  | GRAND COUNTY     | 19. | UTAH COUNTY       |
| 9.  | IRON COUNTY      | 20. | WASATCH COUNTY    |
| 10. | JUAB COUNTY      | 21. | WASHINGTON COUNTY |
| 11. | KANE COUNTY      | 22. | WAYNE COUNTY      |





DRAFT

**AMENDED INTERLOCAL COOPERATION AGREEMENT**

THIS IS AN INTERLOCAL COOPERATION AGREEMENT, made and entered into by and between members of Utah Association of Counties Insurance Mutual, a political subdivision of the State of Utah, each of which hereby agrees to abide by the terms and conditions of this Amended Agreement and all actions taken pursuant hereto.

**WITNESSETH:**

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act, Utah Code Ann. §11-13-1 et. seq. (1996), the Governmental Immunity Act, §63-30-1 et. seq. (1993 & Supp. 1996) and the Utah Insurance Code, Utah Code Ann. § 31A-5-215 (1994), public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into written agreements with one another for joint or cooperative action to establish a public agency insurance mutual; and

WHEREAS, the governing bodies of counties located in the State of Utah, by establishing and entering into an Interlocal Cooperation Agreement, formed Utah Association of Counties Insurance Mutual as a public agency insurance mutual: and

WHEREAS, the members of Utah Association of Counties Insurance Mutual now desire to amend that Interlocal Cooperation Agreement;

NOW, THEREFORE, the parties do mutually agree as follows:

**Section 1.     EFFECTIVE DATE; DURATION.**

This Amended Interlocal Cooperation Agreement shall become effective and shall enter into force, within the meaning of the Interlocal Cooperation Act, upon the submission of this Amended Interlocal Cooperation Agreement to, and the approval and execution hereof by Resolution of the governing bodies of each of the parties. The term of this Amended Interlocal Cooperation Agreement shall be fifty (50) years, pursuant to Utah Code Ann. §11-13-17 (1996), unless renewed as permitted by law, or until earlier dissolved as provided herein.

**Section 2.     PURPOSES.**

This Amended Interlocal Cooperation Agreement has been established and entered into between the members of Utah Association of Counties Insurance Mutual for the following purposes:

1.     Comply with the Code and other applicable laws of the State of Utah;
2.     Ratify the previous formation of a group-funded Mutual to fund through joint self-insurance, reinsurance, excess insurance, or other lawful manner, certain liabilities of member Utah counties, as permitted by the Code and determined by the Board,



with the powers set forth in the Amended Bylaws;

3. Provide, through the Mutual, certain claims and risk management services related to the liabilities so funded, and assist members in reducing and preventing such liabilities; and
4. Provide other services and functions as permitted by law and the Articles of Incorporation of the Mutual.

### **Section 3. ADMINISTRATION OF UTAH ASSOCIATION OF COUNTIES INSURANCE MUTUAL.**

The parties hereby agree that Utah Association of Counties Insurance Mutual shall contract with Utah Association of Counties for administrative and management services, including a reasonable fee approved by the Board of Trustees and Utah Association of Counties to cover the cost of the services so provided.

### **Section 4. MEMBERS.**

Membership in the Mutual is limited to those counties which are members of the Utah Association of Counties and which properly enter into this Amended Interlocal Cooperation Agreement. Members shall have the power to:

1. Elect Trustees;
2. Remove any Trustee from the Board by a two-thirds vote of the members present at a meeting;
3. Voluntarily dissolve the Mutual, but only at a meeting at which a majority of all members, whether present at the meeting or not, vote in favor of the dissolution; and
4. Amend the Bylaws or the Articles of Incorporation by a two-thirds vote of the members present at a meeting.

### **Section 5. BOARD OF TRUSTEES.**

The Mutual shall be governed by a Board of Trustees composed of nine persons. The Trustees shall be elected by the members, shall serve at the pleasure of the members and may be removed by the members in accordance with the Bylaws.

The Board may exercise all powers of the mutual except those powers reserved to the



members, and all powers necessary and proper for the operation of the Mutual and implementation of the Mutual, subject to the limits of the Articles of Incorporation, Amended Bylaws, and the Code. The Board is responsible for all operations of the Mutual.

The Board shall adopt such procedures as it deems necessary or desirable for the conduct of its business.

#### **Section 6. OFFICERS.**

The Board of Trustees shall elect and establish the duties of officers of the Mutual in accordance with Utah law, the Bylaws, and the Articles of Incorporation.

#### **Section 7. COMMITTEES.**

The Board of Trustees may establish from time to time such committees as shall be deemed appropriate by said board.

#### **Section 8. MANNER OF FINANCING.**

Utah Association of Counties Insurance Mutual shall be funded by contributions from the members, the amount of such contributions shall be established by the Board of Trustees and consistent with the Utah Insurance Code.

All monies of the Mutual, and earnings thereon, shall be held in the name of and for the use and benefit of the Mutual.

Utah Association of Counties Insurance Mutual is not an assessable mutual.

#### **Section 9. PROPERTY USED IN COOPERATIVE UNDERTAKING.**

Any real or personal property acquired, held, and used pursuant to this cooperative undertaking shall be administered and controlled by the Board of Trustees established in Section 5 hereof. Any disposition of said real or personal property shall also be administered and controlled by said Board of Trustees, pursuant to the terms of this Agreement.

The provisions of this Agreement and the assets of the Mutual are for the benefit of the members of the Mutual only, and no other persons or entities shall have any rights or interest in this Agreement or in any of the other documents referred to herein or in any such assets, as a third party beneficiary or otherwise. The assets of the Mutual shall not be subject to attachment, garnishment, or any equitable proceeding.

In the event of a voluntary dissolution of the Mutual, as provided in Section 4 hereof, the property of the Mutual not used or needed for the purposes of the Mutual, including its



contractual obligations, shall be distributed, as determined by the Board, only to Utah counties which are members of the Mutual at the time of dissolution.

**Section 10. ADDITION OF OTHER MEMBERS.**

Other counties may become parties to this Interlocal Cooperation Agreement, subject to the approval of the Board of Trustees, by executing an Addendum to this Agreement. In order for a county to be added to this Agreement by Addendum, the Addendum must be approved by the governing body of the county to be added and the Addendum must be reviewed and approved for form and compatibility with the laws of the State of Utah by the attorney for the county to be added. Prior to becoming effective, this Amended Interlocal Cooperation Agreement and the Addendum shall be filed with the person who keeps the records of the public agency being added to this Agreement.

**Section 11. TERMINATION OF PARTICIPATION.**

The parties to this Amended Agreement may withdraw from participation by following the provisions of termination included in the Amended Bylaws.

**Section 12. INDEMNIFICATION.**

It is the intent of the Mutual to provide the broadest possible immunity from personal liability to each trustee, officer, and employee of the Mutual allowed by applicable laws of the State of Utah including, but not limited to, the Governmental Immunity Act, the Corporations Code and the Insurance Code, as amended from time to time. The Mutual shall defend and indemnify the trustees, officers and employees of the Mutual against any and all expense, including attorney fees and liability expenses, sustained by them or any of them in connection with any suit or suits which may be brought against them involving or pertaining to any of their acts or duties to the fullest extent allowed by the laws of the State of Utah.

The Mutual shall purchase liability or other appropriate insurance providing coverage for the trustees, officers and employees of the Mutual. Nothing herein shall be deemed to prevent compromises of any litigation where the compromise is deemed advisable in order to prevent greater expense or cost in the defense or prosecution of such litigation.

**Section 13. FILING OF INTERLOCAL COOPERATION AGREEMENT.**

Executed copies of this Amended Interlocal Cooperation Agreement shall be placed on file in the office of the County Clerk of each of the Members to this Amended Agreement, and shall remain on file for public inspection during the term of this Interlocal Cooperation Agreement.

**Section 14. AMENDMENTS.**





This Interlocal Cooperation Agreement may not be amended, changed, modified or altered except by an instrument in writing which shall be (a) approved by Resolution of the governing body of each of the parties, (b) executed by a duly authorized official of each of the parties, (c) submitted to and approved by an Authorized Attorney of each of the parties, as required by Utah Code Ann. §11-13-9 (1996), and (d) filed in the official records of each party.

**Section 15. SEVERABILITY.**

If any term or provision of the Amended Interlocal Cooperation Agreement or the application thereof shall to any extent be invalid or unenforceable, the remainder of this Amended Interlocal Cooperation Agreement, or the application of such term or provision to circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and shall be enforced to the extent permitted by law. To the extent permitted by applicable law, the parties hereby waive any provision of law which would render any of the terms of this Amended Interlocal Cooperation Agreement unenforceable.

**Section 16. GOVERNING LAW.**

All questions with respect to the construction of this Amended Interlocal Cooperation Agreement, and the rights and liability of the parties hereto, shall be governed by the laws of the State of Utah.

**Section 17. EXECUTION BY COUNTERPART.**

This Amended Agreement may be executed in counterparts. The original of each executed Agreement shall be filed with the Mutual.

IN WITNESS WHEREOF, the parties have signed and executed this Amended Interlocal Cooperation Agreement, after resolutions duly and lawfully passed, on the dates listed below:

Dated this       day of       , 1997.

BOARD OF COUNTY COMMISSIONERS  
COUNTY, UTAH

By: \_\_\_\_\_  
Chair

ATTEST:

By: \_\_\_\_\_  
County Clerk



APPROVED AS TO FORM AND COMPATIBILITY WITH THE LAWS OF THE STATE OF  
UTAH:

By: \_\_\_\_\_  
County Attorney

